

Message Text

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TO USINFO WASHDC IMMEDIATE
AMEMBASSY RANGOON PRIORITY
AMCONSUL HONG KONG
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UNCLAS SECTION 1 OF 5 BANGKOK 01557/1

C O R R E C T E D C O P Y (TEXT CORRECTED)

E.O. 11652: N/A
SUBJ: FALCO JANUARY 16 MEETING WITH BANGKOK NEWSMEN

USIA FOR IEA, IOP/M, IBS, IPS, IOR/RIM

FOLLOWING IS THE USIS-PREPARED TRANSCRIPT OF THE INFORMAL
QUESTION-AND-ANSWER SESSION WITH BANGKOK NEWSMEN MATHEA FALCO,
SENIOR ADVISOR TO U.S. SECRETARY OF STATE VANCE AND COORDINATOR
FOR INTERNATIONAL NARCOTICS MATTERS HELD JANUARY 16 AT THE
FOREIGN CORRESPONDENTS CLUB OF THAILAND IN THE PRESIDENT HOTEL,
IN BANGKOK.

(BEGIN TRANSCRIPT)

Q. MS. FALCO, THERE IS SOME QUESTION IN SOUTHEAST ASIA AS TO
WHETHER THIS PART OF THE WORLD IS GOING TO BECOME THE NEXT BIG
PROBLEM AREA AS FAR AS HAVING NARCOTICS ARE CONCERNED, TO HEROIN,
AND I WONDER IF YOU COULD GIVE US AN ASSESMENT AS TO WHAT THE U.S.
GOVERNMENT FEELS ABOUT IT NOW. I KNOW THAT SOME DEA AGENTS THINK
THAT AS MUCH AS 25 PERCENT OF THE HEROIN NOW ENTERING THE UNITED
STATES COMES FROM THIS PART OF THE WORLD WHICH I THINK IS IN
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CONFLICT WITH THE OFFICIAL FIGURES SO IF YOU'LL JUST TACKLE THAT
BROAD QUESTION.

A. FIRST LET ME TELL YOU THAT I THINK TO GET INVOLVED
IN NUMBER ANALYSIS IS ALWAYS DANGEROUS BECAUSE EVERYBODY HAS A
DIFFERENT PERCEPTION. I THINK THAT WE ALL AGREE HOWEVER THAT SOUTH-
EAST ASIA, THE GOLDEN TRIANGLE, IS INDEED A VERY IMPORTANT SOURCE

OF THE ILLICIT HEROIN. PARTICULARLY NOW IN WESTERN EUROPE WHICH IS EXPERIENCING A HEALTH AND ADDICTION PROBLEM OF UNPRECEDENTED PROPORTION. THE UNITED STATES, THE TRADITIONAL SOURCE FOR THE LAST THREE YEARS OF HEROIN IN OUR STREETS IS FROM MEXICO. THE MEXICAN GOVERNMENT HAS MOUNTED AN INCREASING EFFECTIVE ERRADICATION CAMPAIGN AGAINST ILLICIT POPPY CULTIVATION WITH THE RESULT THAT THE AMOUNT AND THE PURITY OF HEROIN COMING INTO THE COUNTRY FROM MEXICO IS STEADILY DECREASING. AT THE SAME TIME WE ARE EXPERIENCING AN INCREASE IN SOUTHEAST ASIAN HEROIN IN THE UNITED STATES. THE PARTICULAR PERCENTAGES, I DON'T THINK ANYBODY HAS A VERY CLEAR BEAT ON. I THINK THAT 20 PERCENT SOUNDS FINE, THAT THE MAJORITY OF OUR HEROIN STILL COMES FROM MEXICO.

Q. WELL IS THAT MARKET OR IS THAT SOURCE IS DRIED UP, IS THERE DANGER THAT THIS AREA WITH ITS SEEMINGLY LIMITLESS CAPABILITY OF PRODUCTION WOULD PICK UP AND TAKE THE MARKET.

A. WELL, I THINK THAT'S RIGHT AND THAT CERTAINLY THE VIEW OF OUR GOVERNMENT IS THAT THE ILLICIT PRODUCTION IN THIS PART OF THE WORLD IS VERY GREAT. HEROIN MANUFACTURE IS PRESENT AS WELL, AS YOU ALL KNOW, IN MANY AREAS OF THE GOLDEN TRIANGLE AND THE TRAF- FICKING NETWORKS ARE VERY EXPERIENCED AND SOPHISTICATED. I THINK IT IS IMPORTANT TO NOTE HOWEVER THAT HEROIN ADDICTION WITHIN THE COUNTRIES OF SOUTHEAST ASIA HAS INCREASED DRAMATICALLY IN RECENT YEARS AND IS BECOMING A VERY SERIOUS PROBLEM IN THE VIEW UNCLASSIFIED

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OF THE GOVERNMENT. AS MUCH OF THE HEROIN THAT THAT IS PRODUCED IN THIS REGION IS BEING CONSUMED WITHIN THE REGION. ALTHOUGH THERE IS PLENTY FOR WESTERN EUROPE AND FOR THE UNITED STATES AT THIS POINT. THE THAI GOVERNMENT HAS PUBLICLY PLEDGED ITS COMMITMENT TO WORKING EFFECTIVELY TO CONTROL THE NARCOTICS TRAFFIC. WE HAVE HAD MEETINGS WITH PRIME MINISTER KRIANGSAK, THE FOREIGN MINISTER, THE OFFICIALS OF THE ONCB, AND WE HAVE BEEN VERY PLEASED WITH THE REAL CONCERN THAT THEY FEEL ABOUT THE ENORMITY OF THIS PROBLEM AND FOR THE VERY SERIOUS CONSEQUENCES IT POSES FOR THEPEQBKZTHE YUNTR Y. I'VE HAD THE OPPORTUNITY TO VISIT A REHABILITATION CENTER. ON SATURDAY I JUST HAD MEETINGS ABOUT THE DRUG PREVENTION EFFORT THAT ARE TAKING PLACE HERE IN BANGKOK AND THE VERY REAL INTEREST IN EXPANDING THOSE EFFORTS AS WELL AS IN THE TREATMENT AND REHABILITATION AREA.

Q. HAVE YOUR TALK WITH THE THAI PRIME MINISTER, HAVE YOU COME AWAY WITH, WAS IT EVEN ON THE AGENDA? HAVE YOU COME AWAY WITH ANY CONCRETE COMMITMENTS ON THEPART OF THE ROYAL THAI GOVERNMENT TO DO ANYTHING TO COMBAT THE NARCOTICS FLOW THAT THEY HAVEN'T BEEN DOING UP TILL NOW? DID YOU ASK FOR ANYTHING AND DID YOU GET IT?

A. I MUST SAY THAT I WAS VERY PLEASED WITH THE DEGREE OF THOUGHT THAT THIS GOVERNMENT HAS ALREADY GIVEN TO ADDITIONAL MEASURES TO COMBAT THE TRAFFICE. THE PRIME MINISTER HAS A NUMBER OF SPECIFIC MEASURES IN MIND. I READ IN THE PAPER THIS MORNING WHAT I'HEARD FROM HIM LAST NIGHT THAT HE INTENDS TO INCREASE A SIGNIFICANTLY THE PENALTY WITHIN THE LAW FOR VARIOUS NARCOTICS VIOLATIONS. HE HAS OTHER MEASURES IN MIND AS WELL.

Q. DID THE UNITED STATES ASK HIM FOR ANY SPECIFIC STEPS TO BE TAKEN?

A. OUR CONVERSATIONS WERE ALONG MORE GENERAL LINES.

Q. DID HE SAY WHAT PENALTIES HE HAD IN MIND?
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A. I DON'T REMEMBER PRECISELY. I THINK THEY WERE THOROUGHLY REPORTED IN THIS MORNING'S PRESS, AS I REMEMBER.

Q. YOUR GOVERNMENT IS QUITE CONTENT WITH THE SEVERITY OF THE PENALTIES?

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UNCLAS SECTION 2 OF 5 BANGKOK 01557/2

USIA FOR IEA, IOP/M, IBS, IPS, IOR/RIM

A. OUR GOVERNMENT FEELS THAT IT IS REALLY UP TO THE INDIVIDUAL GOVERNMENTS WHO ARE FACED WITH THIS PROBLEM TO DETERMINE WHAT PENALTIES THEY FEEL ARE APPROPRIATE AS YOU KNOW, THERE IS A WIDE DISPARITY AMONG VARIOUS NATIONS IN THE ATTITUDE TOWARDS CRIMINAL PENALTIES AND WHAT IS APPROPRIATE. PRIME MINISTER KRIANGSAK MADE THOSE VERY CLEAR TO ME AND TO PAT DERIAN WHO IS OUR REPRESENTATIVE IN THE HUMAN RIGHTS FIELD THAT HE BELIEVES IN THE RULE OF LAW, AND THAT HE IS VERY INTERESTED IN PURSUING THE TRAFFICKERS THROUGH LEGAL MEANS AND THAT'S ONE REASON WHY HE WANTS TO STRENGTHEN THE LEGAL CODE IN THIS REGARD.

Q. ONE COMPLAINT I'VE HEARD FROM THAI DRUG SUPPRESSION OFFICERS IS THAT WESTERN NATIONS, AND USUALLY THEY EXCLUDE THE UNITED STATES, FROM THIS, IS THAT WESTERN NATIONS IN GENERAL ARE ONLY CONCERNED WITH STOPPING THE DRUG FLOW FROM THAILAND, AND DON'T YOU DO VERY LITTLE IF ANYTHING TO STOP THE DRUG FLOW TO THAILAND, SINCE MOST OF THE DRUGS FROM THAILAND COME FROM OUTSIDE, INCLUDING BURMA. WHAT SORT OF EFFORTS DOES THE U.S. GOVERNMENT MAKE TO STOP DRUGS FROM GETTING INTO THAILAND?

A. WE ARE WORKING VERY CLOSELY WITH A NUMBER OF AFFECTED
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NATIONS TO IMPROVE THE SITUATION, WITH REGARD TO THE NARCOTIC TRAFFIC. I'M SURE YOU'RE AWARE THAT A NUMBER OF WESTERN EUROPEAN NATIONS HAVE STATIONED THEIR LAW ENFORCEMENT ATTACHES HERE TO WORK MORE CLOSELY WITH THE THAI OFFICIALS ON THIS EFFORT. THE BURMESE GOVERNMENT HAS UNDERTAKEN AN ACTIVE SUPPRESSION CAMPAIGN WITHIN THE LIMITS OF THEIR PRESENT CAPABILITIES. AS YOU KNOW, MUCH OF THE OPIUM IS PRODUCED IN THE SHAN STATE AREA WHICH IS NOT ENTIRELY UNDER CONTROL OF THE CENTRAL RANGOON GOVERNMENT. I THINK IT IS ALSO IMPORTANT TO NOTE THAT THERE IS AN INCREASING CONCERN INTERNATIONALLY ABOUT REDUCING THE DEMANDS FOR ILLICIT DRUGS. BUT THIS IS NOT A PROBLEM WHICH IS EXPERIENCED ONLY IN THE U.S. THAT MAY ONCE HAVE BEEN TRUE. IT IS NO LONGER THE CASE. I REPRESENT THE U.S. IN GENEVA ON THE UNITED NATIONS COMMISSION ON NARCOTIC DRUGS WHICH MEETS ANNUALLY IN FEBRUARY, AND IT IS BECOMING VERY CLEAR IN THAT FORUM THAT THE PROBLEM IS PERCEIVED INCREASINGLY AS A WORLD WIDE ONE WHICH WE MUST WORK TOGETHER TO SUPPRESS. IT IS NOT WHETHER THE DRUGS WHICH IN THE DIRECTION THE DRUGS ARE FLOWING IN. IT'S THE FACT THAT THERE IS TOO MUCH ILLICIT HEROIN, AND THAT THE DEMAND FOR IT MUST BE DEALT WITH AS WELL.

Q. YOU MENTION THE ACTIVITIES OF BURMA, THE BURMESE GOVERNMENT. WHAT SPECIFICALLY IS THE BURMESE GOVERNMENT DOING? IT IS OUR UNDERSTANDING THAT THEY WON'T ALLOW DEA REPRESENTATIVES IN THE COUNTRY. WHAT ARE THEY DOING ON THEIR OWN?

A. THEY HAVE IN THE PAST SEVERAL YEARS, THEY HAVE MOUNTED A VERY

ACTIVE CAMPAIGN TO SUPPRESS THE ILLICIT PRODUCTION OF POPPIES, IN THOSE AREAS WHICH AS THEY CAN DEAL WITH. THEY HAVE ALSO BEEN VERY EFFECTIVE THIS PAST YEAR IN DISRUPTING A NUMBER OF MAJOR TRAFFICKING CARAVANS. LET ME SAY WITH REGARDS TO THE DEA ISSUE THAT THAT IS NOT ENTIRELY THE CASE. THE BURMESE GOVERNMENT FEELS THAT ITT IS INAPPROPRIATE TO PERMIT LAW ENFORCEMENT OFFICIALS

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FROM ANY OTHER GOVERNMENT TO BE POSTED IN THEIR COUNTRY. THEY DO, HOWEVER, INVITE THE DEA REPRESENTATIVES WHO ARE POSTED IN BANGKOK TO VISIT AS FREQUENTLY AS THEY WISH TO, AND INDEED I THINK THE MOST RECENT VISIT WAS IN MID-DECEMBER AT WHICH TIME OUR REGIONAL DEA DIRECTOR IN BANGKOK HAD EXTENSIVE MEETINGS WITH BURMESE OFFICIALS.

Q. WHAT KINDS OF THINGS ARE PEOPLE IN BURMA ACCOMPLISHING? DOES THIS RESTRICT THEM IN ANY WAY, NOT BEING ABLE TO BE RESIDENT?

A. I DON'T THINK THAT DEA PERCEIVES THAT THIS IS A SERIOUS OBSTACLE. THE EFFORTS IN BURMA ARE REALLY THOSE OF THE BURMESE GOVERNMENT.

Q. THAT DOESN'T RESTRICT THEM IN ANY WAY, NOT BEING ABLE TO LIVE IN BURMA?

A. PETER BENSINGER, WHO IS THE ADMINISTRATOR OF DEA IN WASHINGTON, AND I MEET FREQUENTLY. HE FEELS THAT AT THE PRESENT, THERE IS NOT A NEED TO HAVE A DEA AGENT POSTED IN RANGOON.

Q. IN YOUR DISCUSSIONS WITH THE THAI GOVERNMENT HOW DO YOU RECONCILE THIS CURIOUS CONFLICT BETWEEN THE CONTINUING PRODUCTION, THE GROWTH OF THE OPIUM POPPY, WITH THE SUPPRESSION MEASURES OF THE THAI GOVERNMENT?

A. I'M NOT SURE I ENTIRELY UNDERSTAND THE QUESTION.

Q. WELL HOW DO YOU DEAL WITH IT IN DISCUSSION? DO YOU TALK ABOUT THIS CURIOUS CONFLICT?

A. YOU MEAN THE FACT THAT POPPIES ARE STILL CULTIVATED IN NORTHERN THAILAND? NO, INDEED WE TALK ABOUT IT VERY FRANKLY. I MUST SAY, BY THE WAY, THAT I'M VERY APPRECIATIVE OF THE CANDOR OF THE PRESENT GOVERNMENT IN ITS FEELINGS WITH US ON THIS ISSUE.

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THE PRIME MINISTER FEELS VERY STRONGLY THAT ALTERNATIVE CROPS MUST BE PROVIDED TO THESE HILL TRIBES IN ORDER TO GIVE THEM A VIABLE MEANS OF LIVELYHOOD, WHICH THE POPPY HAS HROVIDED THEM TO DATE. HE IS VERY INTERESTED IN EXPANDING THE EFFORT WHICH HAS BEEN GOING ON FOR FIVE YEARS, INITIALLY AS YOU KNOW IT WAS A VERY LIMITED, EXPERIMENTAL PROGRAM. THEY NOW FEEL THAT THE TIME HAS COME TO EXPAND THAT EFFORT TO INCLUDE A NUMBER OF THESE VILLAGES. IT IS A LONG, HARD PROCESS. I DON'T THINK THAT ANY OD US EXPECTS OVERNIGHT RESULTS.

Q. YOU WERE HERE ABOUT NINE MONTHS AGO FOR THE BIG CONFERENCE. SPECIFICALLY, WHAT PROGRESS HAVE YOU SEEN BETWEEN THEN AND YOUR TRIP NOW? ANYTHING VERY CONCRETE, OUTSIDE THE ATTITUDE OF THIS GOVERNMENT?

A. THERE ARE A NUMBER OF VERY POSITIVE DEVELOPMENTS. THE PRIME MINIST ER HAS TAKEN STEPS, FOR EXAMPLE, IN THE CROP-SUBSTITUT ON AREA TO ORGANIZE ADMINISTRATIVELY THE MULTI-FACETTED PROGRAM THAT IS GOING ON IN THAILAND. HE HAS PROVIDED A INCREASED RESOURCES IN ADMINISTRATIVE SUPPORTS FOR THE WORK OF THE ONCB. I THINK THAT HE PERCEIVES VERY CORRECTLY THAT IT IS IMPORTANT FOR THAI- LAND TO PROCEED VIGOROUSLY AGAINST THIS PROBLEM. NOT ONLY BECAUSE IT THREATENS THE INTERNAL WELFARE OF THE COUNTRY, BUT ALSO BECAUSE IT COULD CAST A SHADOW ON THAILAND IN THE INTERNATIONAL ARENA AND I THINK HE HAS A VERY GREAT INTEREST IN GOING BEYOND THIS PROBLEM WHICH HAS BEEN SUCH AN OBSTACLE IN THE PAST.

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UNCLAS SECTION 3 OF 5 BANGKOK 01557/3

USIA FOR IEA, IOP/M, IBS, IPS, IOR/RIM

Q. HAVE YOU HAD AN OPPORTUNITY TO VISIT THE CROP-SUBSTITUTION?

A. I DID, LAST APRIL. I WENT TO CHIANG MAI AND HAD A VERY FIND TOUR OF THE ENTIRE AREA, AS WELL AS THE CHIANG RAI AREA AND ITS BORDER, SO THAT I SAW BOTH THE ENORMOUS PROBLEMS POSED IN TERMS OF THE TRAFFICE AND THE EFFORTS THAT WERE BEING MADE TO MOVE THE HILLTRIBES FROM THE OPIUM CULTIVATION TO COFFEE CULTIVATION BY SEEDLING PLANTS. TEA IS PROVING TO BE VERY SUCCESSFUL.

Q. THERE IS ANOTHER PROBLEM ON THE CROP-SUBSTITUTION. IT'S ALRIGHT TO SUBSTITUTE THE CROP IN DEVELOPING THE MARKET FOR THE HILLTRIBE CROPS. I UNDERSTAND THAT THE UNITED NATIONS NOW IS MAKING AN EFFORT TO DEVELOP THE MARKET FOR THE CROPS. HAVE YOU SEEN ANY INDICATION THAT THE SUBSTITUTE PROGRAM IS ACTUALLY CUTTING THE ACRES OF POPPIES?

A. I THINK IT IS TOO SOON FOR THAT KIND OF TEST TO BE APPLIED IN A VERY BROAD WAY. AND I HAVE NOT VISITED THIS YEAR. BUT I UNDERSTAND THAT IN THOSE VILLAGES WHERE THESE CROPS ARE PROVING SUCCESSFULSOME TRADITIONAL OPIUM NULTIVATORS ARE TURNING AWAY FROM POPPIES. BUT I THINK THAT TO JUDGE THE SUCCESS OF THE CROP UNCLASSIFIED

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SUBSTITUTION EFFORT AT THIS POINT IN ITS EVOLUTION IN TERMS OF HEROIN PRODUCTION WHICH IS WHAT WE ARE REALLY CONCERNED WITH, THE END PRODUCT, WOULD BE TO CONDEMN THIS EFFORT UNFAIRLY. IT'S A ERY LONG RANGE ESSENTIALLY WORLD DEVELOPMENT PROGRAM THAT EVENTUALLY WILL HAVE TO INCLUDE HEALTH SERVICES, BETTER FACILITIES FOR MANY OF THOSE PEOPLE WHO, AS YOU KNOW, HAVE LIVED IN VERY MARGINAL CONDITIONS FOR MANY, MANY YEARS.

Q. WE ALL SAW A FILM PRODUCED BY THE TURKISH GOVERNMENT WHICH PROBABLY TO SOME EXTENT, WAS SELF-SERVING, BUT NONETHELESS, IT MADE THE POINT QUITE CLEARLY WITH THE INCLUSION OF A LOT OF MONEY AND ORGANIZATION, THEY WERE ABLE TO SUBSTITUTE FOR THEIR CROP IN A FAIRLY SHORT PERIOD OF TIME, WITHIN TWO GROWING SEASONS, AND THEY WERE ABLE TO ELIMINATE THE CULTIVATION THE ILLEGAL TRAFFICKING IN NARCOTICS AND OPIUM POPPIES. THEY'RE STILL GROWN, BUT UNDER TIGHT SUPERVISION. ISN'T THE PROBLEM HERE AS POLITICAL AS IT IS ECONOMIC AND DEVELOPMENTAL? ISN'T IT A QUESTION OF THE WILL OF THE GOVERNMENTS INVOLVED?

A. I PERSONALLY THINK THAT ALL PROBLEMS ARE AT SOME LEVEL POLITICAL. BUT I WOULD POINT OUT THAT THERE ARE A NUMBER OF DISTINCTIONS WITH TURKEY, AND THE MOST SIGNIFICANT ONE IS THAT TURKEY ALONG WITH INDIA IS THE PRIMARY LEGAL EXPORTER OF NARCOTIC RAW MATERIALS FOR MEDICINAL OPIATES. INDEED, THE POPPY CULTIVATION IN TURKEY, NOW IS MUCH LARGER I THINK, THAN BEFORE THE BAN. THE ONLY DIFFERENCE IS THAT IT

IS NO LONGER HARVESTED IN THE TRADITIONAL LANCING METHOD. THEY USE THE POPPY STRAW METHOD SO THAT OPIUM CANNOT BE DERIVED FROM THE CAPSULES.

Q. THEY SOLVE THEIR PROBLEM. IN HERE EVEN THE MOST ARDENT PROPONENTS OF THE CROP-SUBSTITUTION PROGRAM DON'T SEE THAT THAT BEING A SOLUTION WITHIN FIVE YEARS OR EVEN THE AT THE OUTSIDE, A DECADE.
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THAT WOULD SEEM TO PUT THE SHORT TERM SOLUTION ON THE BACK OF LAW ENFORCEMENT.

A. WELL, I THINK THAT YOU'RE OBSOLUTE RIGHT, BUT THERE ARE VARIOUS TIME FRAMES FOR THE SUCCESS OF THE VARIOUS APPROACHES. I THINK IN TERMS OF LAW ENFORCEMENT, YES, LAW ENFORCEMENT, EFFORTS ARE CRITICAL, CRITICAL TO THE INTERRUPTION OF THE TRAFFICE, AND THAT WE HAVE SEEN ALREADY SOME IMPACT FROM THESE INCREASED EFFORTS IN THE LAST YEARS. THERE HAVE BEEN A NUMBER OF SEIZURES. HOWEVER, I THINK WHEN YOU'RE TALKING ABOUT MOVING AN ENTIRE CULTURE AWAY FROM OPIUM CULTIVATION, WE'RE TALKING IN MUCH LONGER-RANGE TERMS AND I ALSO SUSPECT THAT THERE ARE MANY DIFFERENCES BETWEEN TURKEY AND THAILAND. I HAVE NOT YET VISITED TURKEY. THEY ARE TWO DIFFERENT COUNTRIES. TWO DIFFERENT CULTURES.

Q. EVEN IF CROP-SUBSTITUTION WORKS TO BE A SUCCESS IN THAILAND, HOW MUCH OF A DENT WOULD THAT PUT INTO THE GOLDEN TRIANGLE PRODUCTION? AS I UNDERSTAND IT, THAILAND IS NOT A NET EXPORTER OF DRUGS.

A. I THINK THAT THE IMPORTANT POINT IS THAT THAILAND, IN ITS CROP-SUBSTITUTION EFFORT, IS SERVING AS A LABORATORY FOR THE WORLD IN THIS EFFORT. IT IS THE MOST ADVANCED OF THE CROP SUBSTITUTION PROJECTS ANYWHERE IN THE WORLD. IT HAD FIVE YEARS EXPERIENCE HERE AND THEY'RE BEGINNING TO COME UP WITH REALLY BUYABLE CROPS. THE MARKETING DISTRIBUTION PROBLEMS, AS YOU POINTED OUT, ARE VERY SERIOUS. BUT THE GOVERNMENT IS AWARE OF THESE PROBLEMS AND IS BEGINNING TO SEEK HELP IN RESOLVING THEM. NOW THE UNITED NATIONS FUND FOR DRUG ABUSE CONTROL HAS JUST INITIATED A CROP-SUBSTITUTION PROGRAM IN BURMA. THE UNITED NATIONS FUND HAS ALSO PLEDGED ANOTHER FIVE YEARS OF SUPPORT FOR THE THAI EFFORT. THERE WAS GREAT CONCERN WHEN I WAS HERE LAST YEAR THAT THE PROJECT WOULD NOT HAVE CONTINUED FUNDING AND THE EFFORTS WOULD SIMPLY WHITHER AWAY FOR LACK OF SUPPORT. DURING THIS LAST YEAR, THERE HAVE BEEN REALLY VERY LARGE CONTRIBUTIONS FROM THE SCANDINAVIAN COUNTRIES OUT OF THEIR DEVELOPMENT
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ASSISTANCE FUNDS, TO THE UNITED NATION'S FUND FOR DRUG ABUSE CONTROL, SPECIFICALLY FOR CROP-SUBSTITUTION EFFORTS IN THE BROADEST SENSE IN BURMA AND AFGANISTAN. I THINK IT IS VERY PROBABLE THAT WITHIN THE NEXT YEAR, WE WILL SEE MORE OF THOSE DEVELOPMENTS WHERE COUNTRIES WHO ARE AFFECTED BY HEROIN ADDICTION WILL TURN TO THEIR DEVELOPMENT ASSISTANCE FUNDS TO BEGIN TO TRY TO DEVELOP ALTERNATIVES FOR TRADITIONAL OPIUM GROWING AREAS.

Q. BUT, AS YOU NOTED WHEN YOU BEGAN THIS, MANY OF THE AREAS THAT PRODUCE OPIUM IN BURMA ARE NOT UNDER RANGOON CONTROL. WHAT KIND OF A HANDLE CAN YOU GET ON THAT PROBLEM? IT SEEMS THAT THERE'S VERY LITTLE (INAUDIBLE) TO DEAL WITH IT, EVEN IF CROP SUBSTITUTION WORKED WELL, AND YOU HAD A WAY TO MARKET THE PRODUCTS THAT WOULD BE SUBSTITUTED, HOW DO YOU GET TO AREAS THAT ARE NOT CONTROLLED BY CERTAIN CENTRAL GOVERNMENTS?

A. THAT IS A VERY GREAT PROBLEM. I WILL BE DISCUSSING IT IN RANGOON WITH THE CENTRAL GOVERNMENT. I THINK IT'S VERY INTERESTING, TOO, THAT I'VE HEARD THERE HAVE BEEN PEOPLE FROM THE SHAN STATES WHO HAVE COME OVER INTO THE NORTHERN THAI CROP SUBSTITUTION PROJECTS AND SAID, "PLEASE TEACH US. WE WANT TO GET OUT OF THIS BUSINESS." I DON'T KNOW HOW MANY OPIUM FARMERS YOU HAVE KNOWN WELL, BUT ONE OF THE THINGS.

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USIA FOR IEA, IOP/M, IBS, IPS, IOR/RIM

Q. ONE OR TWO. (LAUGHTER)

A. ONE OF THE THINGS THAT IS VERY INTERESTING TO ME IN MY TRAVELS IS THAT THE FARMERS BENEFIT ONLY marginally FROM THIS ACTIVITY. IT IS THE PEOPLE WHO MARKET AND DISTRIBUTE THE PRODUCTS WHO MAKE THE GREAT PROFITS. THIS IS TRUE., NOT ONLY IN SOUTHEAST ASIA, IT'S TRUE IN AFGANISTAN, PAKISTAN, IT'S TRUE OF COCA-CULTIVATION IN LATIN AMERICA. MANY OF THESE FARMERS FEEL THEY HAVE NO ALTERNATIVE. IF THEY COULD GROW FOOD CROPS AND BE ASSURED THAT THEY WOULD HAVE BOTH FOOD FOR THEIR FAMILIES AND SOME KIND OF INCOME THEY WOULD BE VERY WILLING TO SWITCH, BUT IT IS A GREAT LEAP OF FAITH AND THEY NEED A LOT OF HELP IN MAKING THAT TRANSITION.

Q. HAVE YOU HAD ANY CONTACT? DO YOU PLAN TO SEEK ANY CONTACT WITH THE SHAN STATE PEOPLE YOU SAY ARE INTERESTED IN MOVING AWAY FROM OPIUM PRODUCTION?

A. I THINK YOU STATED MY POINT A LITTLE TOO GENERALLY. I HAVE HEARD IN MY MEETINGS HERE, INFORMALLY, THAT ADVICE HAS BEEN SOLICITED BY SOME PEOPLE IN THE SHAN STATE, INFORMALLY, THAT THEY WOULD LIKE HELP.

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Q. YOU HAVE NOT...

A. I HAVE NOT MET WITH ANY SHAN STATE OFFICIALS OR LEADERS.

Q. I DIDN'T MEAN YOU PERSONALLY. BUT I MEANT THE U.S. DRUG SUPPRESSION...

A. NO. NO.

Q. DO YOU HAVE PLANS TO DEAL WITH SHANS TO (INAUDIBLE)M

A. NO, AS YOU REMEMBER, AT THE TIME OF OUR LAST MEETING HERE IN BANGKOK, THERE WAS A GREAT DEAL OF TALK BY CONGRESSMAN WOLFF AND HIS COMMITTEE ON THE SUBJECT OF A POTENTIAL PREEMPTIVE PURCHASE FROM THE SHAN- FROM VARIOUS TRAFFICKING GROUPS, INCLUDING SOME OF THE SHAN GROUPS. WE HAVE HAD EXTENSIVE CONGRESSIONAL HEARINGS ON THAT SUBJECT IN WASHINGTON. THIS ADMINISTRATION DOES NOT SUPPORT THE PREEMPTIVE PURCHASE PROPOSAL. AND I BELIEVE THAT CONGRESSMAN WOLFF, WHO WILL BE HERE TOMORROW, AND YOU MIGHT WANT TO TALK TO HIM ABOUT IT, WOULD AGREE NOW THAT IT IS IMPORTANT TO PROCEED ALONG THE LINES WHICH I HAVE ALREADY TALKED ABOUT. AND PRIME MINISTER KRIANGSAK IS ALSO VERY CLEAR THAT A PREEMPTIVE PURCHASE WOULD NOT SOLVE THE PROBLEM. IT WOULD SIMPLY CREATE A FLOOR PRICE FOR AN ILLICIT PRODUCT.

Q. ASIDE FROM PREEMPTIVE PURCHASES, IS THERE ANY WAY TO DEAL WITH THE - I UNDERSTAND SUBSTANTIAL AMOUNT OF DRUGS THAT ARE COMING FROM THE SHAN STATE AREA?

A. THE THAI GOVERNMENT IS ATTEMPTING, I THINK, OFTEN WITH SIGNIFICANT SUCCESS, TO INTERDICT THE TRAFFIC AS IT COMES DOWN ACROSS THAT VERY DIFFICULT BORDER. THE BURMESE, ON THEIR SIDE, UNCLASSIFIED

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AS I SAID, ARE TRYING TO REDUCE THE PRODUCTION, AS WELL AS TO INTERDICT THE CARAVANS.

Q. A SLIGHTLY DIFFERENT FOCUS. THIS WEEK, AND I THINK, NEXT WEEK, WE'LL HAVE MR. OAKLEY, AND THERE'S YOURSELF, MS DERIAN, CONGRESSMAN WOLFF IS COMING IN...

Q. A LOT OF PEOPLE.

Q. DOES THIS SIGNIFY THAT EITHER THINGS ARE VERY DULL IN WASHINGTON, OR IS THERE A NEW, SORT OF A NEW DEAL COMING UP FOR THAILAND AS FAR AS...

A. WELL, I CAN ASSURE YOU THAT THE WEATHER'S VERY COLD IN WASHINGTON. (LAUGHTER) WE'RE HAVING QUITE A SNOW STORM RIGHT NOW. SOUTHEAST ASIA IS AN AREA OF VERY GREAT IMPORTANCE TO OUR GOVERNMENT. I'M SURE YOU WOULD WANT TO TALK TO MR. OAKLEY MORE ABOUT THAT TOMORROW. HE IS COMING WITH ME TO RANGOON IN THE AFTERNOON.

Q. BUT THIS SORT OF...YOU'VE GOT DRUGS, HUMAN RIGHTS, THERE'RE POLITICAL PEOPLE. I ASSUME THIS IS ALL COORDINATED, THAT THIS IS A FAIRLY WELL COORDINATED SWING. WHAT IS THE ULTIMATE PURPOSE? THAT THIS IS A FAIRLY WELL COORDINATED SWING. WHAT IS THE ULTIMATE PURPOSE? IS IT JUST TO GIVE A STATUS REPORT TO WASHINGTON ON WHAT'S GOING ON, OR IS THERE SOMETHING BEYOND THAT?

A. NO, I THINK THAT WE HAVE EACH COME TO LEARN ABOUT PROGRESS THAT HAS BEEN MADE IN OUR VARIOUS AREAS OF CONCERN DURING THE PAST YEAR AND TO MEET WITH GOVERNMENT OFFICIALS TO DISCUSS THEIR PLANS AND TO EXPLORE WAYS IN WHICH WE MIGHT BE ABLE TO WORK TOGETHER MORE EFFECTIVELY.

Q. DOES THE UNITED STATES PLAN TO OFFER ANY BILATERAL AID IN THE MARKETING OF DISTRIBUTION IN THE CROP SUBSTITUTION PROGRAM?

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A. YES, FROM MY APPROPRIATION, I WILL BE PROVIDING ASSISTANCE THIS YEAR TO THE EFFORT IN NORTHERN THAILAND. WE HOPE THAT IN

FISCAL IN 1979, AID WILL ALSO PROVIDE MORE SUBSTANTIAL ASSISTANCE. MY BUDGET IS UNFORTUNATELY LIMITED. AID AGAIN, THE CONCEPT OF USING DEVELOPMENT ASSISTANCE MONEY OF OUR VARIOUS COUNTRIES TO APPROACH THIS PROBLEM IS AN IMPORTANT ONE, AND AID HAS, IN FACT GOVERNOR GILLIGAN, WHO IS HEAD OF AID, I THINK, IS ARRIVING ON WEDNESDAY AND YOU MIGHT WANT TO ASK HIM ABOUT THAT TOO.

Q. (INAUDIBLE)

A. I'M NOT SURE THE EXACT AMOUNT HAS BEEN SET. IT'S A FAIRLY SMALL AMOUNT IN ORDER TO ENABLE THEM TO MAKE THE INITIAL STEPS OF THE TRANSITION TO THE BROADER PROGRAM. BUT THE UNITED NATIONS FUND IS ALSO CONTRIBUTING SO THAT THERE WILL BE, AS I SAID EARLIER, I AM VERY HOPEFUL THAT IN GENEVA OTHER COUNTRIES TOO WILL BEGIN TO CONSIDER CONTRIBUTING TO THIS VERY IMPORTANT EFFORT FROM THEIR DEVELOPMENT FUNDS.

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ACTION EA-12

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USIA FOR IEA, IOP/M, IBS, IPS, IOR/RIM

Q. CAN YOU GIVE US AN ESTIMATES OF WHAT PROPORTION OF THE HEROIN MARKETED IN THE UNITED STATES COMES FROM THE GOLDEN TRIANGLE?

A. THE EXACT PERCENTAGE IS NOT CLEAR. IT IS INCREASING. AS I SAID EARLIER, MEXICO REMAINS OUR PRIMARY SOURCE. THEIR CONTRIBUTION TO OUR HEROIN PROBLEM IS, FORTUNATELY, DECREASING. I WOULD PUT THE FIGURE NOW FROM THE GOLDEN TRIANGLE SOMEWHERE AROUND 20 TO 25 PERCENT. BUT THAT IS ALWAYS OPEN TO DEBATE. WE ARE WORKING ON THOSE FIGURES IN WASHINGTON.

Q. DO YOU KNOW THE CHIEF ROUTES BY WHICH HEROIN DOES ENTER THE UNITED STATES, WHETHER IT'S BY SEA, BY AIR, OR THROUGH CARGO..

A. EVERYTHING, EVERYTHING. YOU KNOW HOW OUR BORDERS, HOW LONG OUR BORDERS ARE.

Q. BUT FROM THIS PART OF THE WORLD, IT MUST BE A LITTLE BIT SPECIALIZED, AT LEAST SOMEWHAT DIFFERENT, FROM MEXICO.

A. YES. THOUGH I MUST SAY THE INGENUITY OF THE TRAFFICKING NETWORKS IS IMPRESSIVE, AND THEY HAVE USED MANY UNCLASSIFIED

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ROUTES. ONE OF THE ONES WHICH I'M SURE YOU'VE ALREADY HEARD A GREAT DEAL ABOUT IS THROUGH VANCOUVER (BRITISH COLUMBIA, CANADA) DOWN INTO THE WEST COAST.

Q. ARE CANADIAN CUSTOMS MORE LAX THAN UNITED STATES CUSTOMS?

A. NO. THEY'RE VERY CONCERNED, AND WE'RE WORKING VERY CLOSELY. WE'VE DEVELOPED SPECIAL BORDER EFFORTS TO TRY TO STOP THIS. BUT I THINK, PARTICULARLY IN SOUTHEAST ASIA, THERE ARE VERY CLOSELY KNIT TRAFFICKING ORGANIZATIONS WHICH OPERATE VERY EFFECTIVELY ON A MULTI-NATIONAL SCALE. AND THERE ARE COMMUNITIES EVERYWHERE THROUGH WHICH THESE DRUGS CAN COME.

Q. ONE MORE QUESTION. I'VE NOTICED FROM SEIZURES MADE RECENTLY AND AT LEAST ONE CONVERSATION WITH A THAI DRUG OFFICIAL THAT THE THAI SEEM TO BE MORE AND MORE CONCERNED ABOUT MARIJUANA. DO YOU FEEL THAT THIS IS DILUTING THE MORE IMPORTANT SUPPRESSION OF DANGEROUS NARCOTICS? OR DO YOU AGREE, DID YOU GET ANY SENSE THAT THEY WERE GOING TO BE HARSHER ON MARIJUANA?

A. IN FACT, WE HAVE NOT DISCUSSED MARIJUANA IN MY STAY HERE. YOU HAD A QUESTION.

Q. IT'S ABOUT MARIJUANA. I WAS WONDERING WHAT THE LEVEL OF AMERICAN CONCERN IS RELATIVE TO THE USE OF MARIJUANA?

A. WELL, I'M SURE THAT YOU'RE AWARE THAT LAST MARCH, ADMINISTRATION REPRESENTATIVES TESTIFIED IN FAVOR OF SOME SORT OF DECRIMINALIZATION FOR PERSONAL POSSESSION OF VERY SMALL AMOUNTS OF MARIJUANA. HOWEVER, WITH REGARD TO SALE AND TRAFFIC, THE ADMINISTRATION REMAINS CONVINCED THAT VERY SEVERE PENALTIES SHOULD CONTINUE TO PERTAIN THAT THE SAME NETWORKS THAT TRAFFIC MARIJUANA ALSO TRAFFIC HEROIN, COCAINE IN OUR COUNTRY, UNCLASSIFIED

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ALTHOUGH I HAVE NOT HEAR A GREAT DEAL ABOUT COCAINE IN
SOUTHEAST ASIA.

Q. DO YOU THINK THE DEA HERE IN BANGKOK HAVE ANY IDEA WHO THE
MAJOR TRAFFICKERS MOVING HEROIN FROM THIS PART OF THE WORLD TO
THE UNITED STATES ARE?

A. I THINK THAT THEY HAVE SOME FAIRLY GOOD IDEAS. I THINK THAT
THE LEVEL OF INTELLIGENCE ABOUT THE TRAFFICKING NETWORKS ON THE
PART OF MANY GOVERNMENTS IS FAIRLY SOPHISTICATED.

Q. BUT STILL, THEY HAVE NOT BEEN ABLE TO BUST ANY OF THE MAJOR
SUPPLIERS?
OR HAVE THEY...?

A. WELL, AS I UNDERSTAND IT, THERE HAVE BEEN SOME VERY MAJOR
ARRESTS IN THIS PART OF THE WORLD. YOU MIGHT WANT TO TALK MORE
EXTENSIVELY TO THE DEA OFFICE HERE ABOUT THE SPECIFICS.

(END TRANSCRIPT)
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